CANADIAN WESTINGHOUSE COMPANY, LIMITED

EIGHTEENTH ANNUAL REPORT

DECEMBER 31ST, 1921

DIRECTORS

H. H. WESTINGHOUSE, Chairman of the Board

PAUL J. MYLER, President

L. A. OSBORNE, Vice-President

F. A. MERRICK, Vice-President

T. AHEARN	SIR JOHN M. GIBSON, K. C. M. G.	JOHN F. MILLER
CHARLES A. TERRY	WARREN Y. SOPER	GENERAL GUY E. TRIPP

N. S. BRADEN, Vice-President

H. M. BOSTWICK, Manager of sales

GEORGE R. KERR, Treasurer

H. U. HART, General Manager and Chief Engineer

C. H. O. POOK, Manager of Works

W. E. SPRAGUE, Secretary

PRINCIPAL OFFICE AND WORKS, HAMILTON, ONTARIO

SALES OFFICES

MONTREAL, QUE.	TORONTO, ONT.	WINNIPEG, MAN.
HALIFAX, N. S.	OTTAWA, ONT.	CALGARY, ALTA.
VANCOUVER, B. C.	FORT WILLIAM, ONT.	EDMONTON, ALTA.

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CANADIAN WESTINGHOUSE COMPANY, LIMITED

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The Directors submit herewith the customary Balance Sheet of the Company at the close of the fiscal year ended December 31st and a statement of the Profit and Loss Account, showing earnings for the year amounting to $1,501,379.69, from which the sum of $253,000.00 has been written off for general depreciation, and a reserve of $157,000.00 created for the payment of Dominion Taxes for 1921, leaving net profits of $1,091,379.69.

From the year's profits, dividends at the rate of eight per cent. per annum and an extra dividend of two per cent. were paid, amounting to $741,790.00, leaving a balance of $349,589.69 carried forward to Profit and Loss, which account shows as of December 31st, 1921, a surplus of $2,464,418.12, exclusive of all reserves.

Speaking generally, the course of business during 1921 was dominated by a realizing sense among all communities that the war and its aftermaths had impoverished the world, while financial confidence had not been sufficiently rehabilitated to provide the necessary basis for carrying the loss forward over future years. Though the need of consumers was never greater, the lack of ability to purchase had to be the governing factor, the result being a general readjustment of prices for materials, labor and commodities.

Canada in its comparatively fortunate standing as both a raw material and an industrial community was less adversely affected than many, and your Company in such amount of business as came within its field of operations secured its accustomed favorable proportion through the standing of the Westinghouse name for apparatus and service.

The results for the year have, as foreshadowed by last year's statement, been very materially aided by the large amount of orders placed on the books in the previous year for delivery during 1921, the billing of shipments having totalled even larger than in 1920. Naturally these orders comprised mainly apparatus of considerable size, and conspicuous among them were the Hydro-Electric generators, each of 60,000 horse power capacity, with corresponding transformer and switching units, which were completed and put into service with every satisfaction in the Queenston Station of the Hydro Electric Power Commission of Ontario. These are the largest units of their kind operating anywhere in the world.

Pursuing the policy of broadening the scope of activity of your Company to fill every logical requirement, the manufacture of Electric Ranges has been instituted during the year, and the development of this business, as well as that of the Westinghouse Mazda Lamps undertaken during the preceding year, has shown gratifying results in quality and volume of product.

Manufacturing costs for the year have included all proper charges for maintenance and renewal of plant and equipment, as well as charges for development of new apparatus and for absorption of obsolescence.

Inventories have been verified carefully by physical count and have been priced at the lower of either cost or market value.

The Pension and Benefit Systems, inaugurated by your Company with the beginning of 1920, have already become established as a greatly appreciated relationship between the Employees and the Company.

Acknowledgment is here made of the loyal and effective work of the Employees and Directing Offices in all departments.

By Order of the Board,

H. H. WESTINGHOUSE,
Chairman.

ABSTRACT OF FINANCIAL STATEMENT

FOR FISCAL YEAR ENDED DECEMBER 31ST, 1921

GENERAL BALANCE SHEET

ASSETS:—			
CASH		$ 471,547.40	
DOMINION WAR LOAN BONDS, ETC.		378,481.13	
ACCOUNTS AND BILLS RECEIVABLE		2,262,363.13	
PROPERTY AND PLANT			
Hamilton:—Real Estate; Factories and Office Buildings; Machinery, Tools, and Equipment, etc.	$4,195,255.90		
Winnipeg:—Real Estate and Warehouse	53,250.00		
Patents, Rights and Licenses	550,000.00		
	4,798,505.90		
Written off for Depreciation	253,000.00	4,545,505.90	
INVENTORY OF MATERIALS AND PRODUCTS ON HAND, INCLUDING WORK IN PROCESS, LESS COLLECTIONS ON ACCOUNT		4,068,888.80	
INSURANCE UNEXPIRED AND TAXES PAID IN ADVANCE		3,716.83	$11,730,503.19
LIABILITIES:—			
CAPITAL STOCK			
Authorized	$10,000,000.00		
Issued		$7,417,900.00	
CURRENT ACCOUNTS PAYABLE		558,514.90	
DIVIDEND NO. 69, PAYABLE JANUARY 1ST, 1922		296,716.00	
CONTRACTS IN PROGRESS		235,954.17	
RESERVE FOR DEPRECIATION		600,000.00	
PROVISION FOR DOMINION TAXES, 1921		157,000.00	
PROFIT AND LOSS ACCOUNT		2,464,418.12	$11,730,503.19

PROFIT AND LOSS ACCOUNT

INCOME AND EXPENDITURE

BALANCE BROUGHT FORWARD JANUARY 1ST, 1921			$2,114,828.43
EARNINGS, FISCAL YEAR ENDED DECEMBER 31ST, 1921			
From Manufacturing Operations		$2,236,936.11	
Administration, Selling and General Expenses, Taxes, and Provision for Doubtful Accounts, etc.		769,389.17	
		1,467,546.94	
From Interest on Dominion War Loan Bonds		20,146.50	
From Bank Interest and Miscellaneous Earnings		13,686.25	
		1,501,379.69	
For Dominion Taxes, 1921		157,000.00	
		1,344,379.69	
Written off for Depreciation		253,000.00	
NET EARNINGS		1,091,379.69	
LESS DIVIDENDS, 1921		741,790.00	349,589.69
BALANCE CARRIED FORWARD JANUARY 1ST, 1922			$2,464,418.12

PAUL J. MYLER,
President

F. A. MERRICK,
Vice-President

AUDITOR'S CERTIFICATE

I have audited the books of the Company for the twelve months ended 31st December, 1921, and have been furnished with vouchers for all expenditures. I have obtained all information and explanations required by me, and in my opinion the Balance Sheet is properly drawn up so as to exhibit a correct view of the Company's affairs according to the best of my information and the explanations given me, and as shown by the books of the Company.

Hamilton, Canada, February 22nd, 1922.

C. S. SCOTT, F.C.A.,
OF C. S. SCOTT & CO.,
Auditor